

General Assembly

Raised Bill No. 189

February Session, 2016

LCO No. 1266



Referred to Committee on GENERAL LAW

Introduced by: (GL)

## AN ACT CONCERNING IRREVOCABLE FUNERAL SERVICE CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 42-207 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective July 1, 2016*):
- An irrevocable funeral service contract may be entered into in which
- 4 the amount held in escrow or a death benefit payable under an
- 5 individual or group life insurance policy may be disbursed only upon
- 6 the death of the beneficiary, provided such a contract does not exceed
- 7 [five] eight thousand [four hundred] dollars and all interest, growth or
- 8 dividends accumulates to the escrow account or insurance policy and
- 9 are inaccessible to the beneficiary. Such irrevocable funeral service
- 10 [contracts] <u>contract</u> may be transferred from one funeral service
- 11 establishment to another upon request of the beneficiary or a legal
- 12 representative of the beneficiary. The purchase of an irrevocable
- 13 funeral service contract shall not preclude an individual from
- 14 purchasing other funeral service contracts that are revocable, provided
- any such revocable funeral service contract purchased by a Medicaid

LCO No. 1266 1 of 2

- 16 beneficiary may be revoked only upon written notice by the Medicaid
- 17 beneficiary to the Commissioner of Social Services.

This act shall take effect as follows and shall amend the following sections:				
Section 1	July 1, 2016		42-207	

## Statement of Purpose:

To raise the maximum allowable amount for irrevocable funeral service contracts.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

LCO No. 1266 **2** of 2